



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

March 31, 2004

H.R. 3104

A bill to provide for the establishment of campaign medals to be awarded to members of the Armed Forces who participate in Operation Enduring Freedom or Operation Iraqi Freedom

As ordered reported by the House Committee on Armed Services on March 17, 2004

H.R. 3104 would direct the President to establish campaign medals to be awarded to military personnel who participate in Operation Enduring Freedom or Operation Iraqi Freedom. CBO estimates that implementing this bill would cost about \$1 million in 2005 and less than \$500,000 each year thereafter. It would not affect direct spending or receipts.

Under current regulations, any servicemember who has participated in Operation Enduring Freedom or Operation Iraqi Freedom is eligible for the Global War on Terrorism Expeditionary Medal. This bill would establish two additional campaign medals to recognize participation in those operations. Based on data from the Department of Defense (DoD) on the number of military personnel who have served to date in those two operations and the costs to design and produce each medal, CBO estimates that implementing this bill would cost about \$1 million in 2005 and less than \$500,000 each year thereafter.

According to DoD, each medal would cost about \$2 to produce and package. As of November 30, 2003, about 600,000 military personnel have served in Operation Enduring Freedom or Operation Iraqi Freedom. CBO assumes that DoD would distribute in 2005 the medals to those who qualify based on past service. Based on Army plans for the next several months, CBO expects another 500,000 may qualify for either of these medals over the 2005-2009 period. The costs of this legislation fall within budget function 050 (national defense).

H.R. 3104 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would not affect the budgets of state, local, or tribal governments.

The CBO staff contact is Michelle S. Patterson. This estimate was approved by Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.